IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH.

I.T.R. No.90 of 1996
Date of decision: 19.09.2006

C.I.T. (C), Ludhiana

---Appellant

Vs.

Sukhchain & Co., Chandigarh.

-----Respondent

CORAM:- HON'BLE MR JUSTICE ADARSH KUMAR GOEL
HON'BLE MR JUSTICE RAJESH BINDAL

Present: Mr. S.K. Garg Narwana, Advocate
for the revenue.

ORDER:

Following question of law has been referred for opinion of this Court by the Income Tax Appellate Tribunal, Chandigarh Bench, Chandigarh, arising out of its order dated 11.07.1994 in I.T.A. No.961/Chandi/89 in respect of assessment year 1984-85:-

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in law in allowing deduction of payment of sales-tax under the first proviso to section 43B of the Income-tax Act, after holding that the said proviso inserted w.e.f. 1.4.1988 had retrospective application?

We find that the issue is covered against the revenue and in favour of the assessee by the judgment of Hon'ble Supreme Court in ***Allied Motors (P) Limited v. Commissioner of Income Tax*** 1997 (224) ITR 677.

Accordingly, the question is answered against the revenue and in favour of the assessee.

(ADARSH KUMAR GOEL)
JUDGE

September 19, 2006
ashwani

(RAJESH BINDAL)
JUDGE